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State of Idaho

Legislative Services Office

## Individual Entity Audit Report

A communication to the Joint Finance-Appropriations Committee

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# IDAHO PUBLIC TELEVISION

**FY 2007**

Report OP52007

Date Issued: December 17, 2007

*Serving Idaho's Citizen Legislature*

# FOREWORD

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## **PURPOSE OF AUDIT REPORT**

Our fiscal/compliance audit of Idaho Public Television (IdahoPTV) was made to determine:

1. The adequacy and accuracy of the fiscal records and the reliability of the internal control system in order to issue an opinion on the fairness of IdahoPTV's basic financial statements.
2. The degree of compliance with various State laws, rules, and regulations affecting the fiscal operations of IdahoPTV.
3. The areas in the financial operations that could be improved.

## **SCOPE OF AUDIT**

We examined the financial operations of IdahoPTV for the fiscal year ended June 30, 2007.

We audited the data included in IdahoPTV's accounting records, reports, budget documents, and various other administrative records. We also examined the activities and controls over the three "Friends" organizations and the Idaho Public Television Foundation.

## **AUDIT AUTHORIZATION**

Reported to the Joint Finance-Appropriations Committee as directed by the Legislative Council of the Idaho Legislature, authorized by Idaho Code, Section 67-429.

## **ASSIGNED STAFF**

Craig E. Weathers, CPA, CIA, Auditor-in-Charge  
Brinton Croff, Staff Auditor

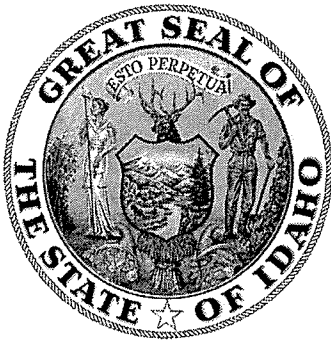
## **ADMINISTRATION AND TECHNICAL REVIEW**

Don H. Berg, CGFM, Manager, Legislative Audits Division  
Chris Farnsworth, CPA, Managing Auditor

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## ***EXECUTIVE SUMMARY LEGISLATIVE AUDITS***

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### **IDAHO PUBLIC TELEVISION**

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**PURPOSE AND SCOPE** – We have audited the financial statements of Idaho Public Television (IdahoPTV) for the fiscal year ended June 30, 2007, in accordance with auditing standards generally accepted in the United States of America. The purpose of our audit is to determine whether IdahoPTV's financial statements are materially accurate and reliable, and that IdahoPTV complied with laws and regulations affecting fiscal operations.

In determining how to define IdahoPTV for financial reporting purposes, management has considered all potential component units. The primary entity is IdahoPTV, which includes a central management staff, three staffed stations (KAID, KISU, KUID), and an interconnection system between the ten public television transmitters in Idaho (KAID, KISU, KUID, KIPT, KCDT, KAID-DT, KISU-DT, KUID-DT, KIPT-DT, and KCDT-DT). The component units consist of IdahoPTV Foundation, Friends of IdahoPTV – KAID/KIPT, Friends of IdahoPTV – KISU, and Friends of IdahoPTV – KUID/KCDT. The primary entity and component units are included in these basic financial statements.

**CONCLUSION** – We conclude that IdahoPTV's financial statements are materially accurate and reliable, and fiscal operations materially comply with related laws and regulations. As a result, we issued an unqualified opinion on IdahoPTV's financial statements.

**FINDINGS AND RECOMMENDATIONS** – There are no findings and recommendations in this report or the prior report.

**AGENCY RESPONSE** – The management of IdahoPTV has reviewed the report and is in general agreement with its contents.

**FINANCIAL SUMMARY** – The following schedule briefly summarizes the financial operations of IdahoPTV for the fiscal year ended June 30, 2007. Funding for the year included a \$1,634,000 State appropriation, a \$959,000 Community Service Grant from the Corporation for Public Broadcasting, \$4,826,000 in contributions and other miscellaneous revenue, and \$295,000 in federal grants.

**STATEMENT OF NET ASSETS – AS OF JUNE 30, 2007**

	Governmental Activities	Component Units	Total
<b>ASSETS</b>			
Cash and Cash Equivalents	\$61,106	\$2,367,518	\$2,428,624
Investments	0	1,729,131	1,729,131
Other Assets	169,470	249,912	419,382
Restricted Cash and Investments	0	2,710,871	2,710,871
Capital Assets (Net of Accumulated Depreciation)	7,663,979	0	7,663,979
<b>Total Assets</b>	<b>\$7,894,555</b>	<b>\$7,057,432</b>	<b>\$14,951,987</b>
<b>LIABILITIES</b>			
Payroll and Benefits Payable	\$116,644	\$0	\$116,644
Payables	67,139	3,024	70,163
Compensated Absences	251,177	0	251,177
<b>Total Liabilities</b>	<b>\$434,960</b>	<b>\$3,024</b>	<b>\$437,984</b>
<b>NET ASSETS</b>			
Invested in Capital Assets (Net of Related Debt)	\$7,663,979	\$0	\$7,663,979
Restricted Permanent Trust -- Non-Expendable	0	2,710,871	2,710,871
Unrestricted	(204,384)	4,343,537	4,139,153
<b>Total Net Assets</b>	<b>\$7,459,595</b>	<b>\$7,054,408</b>	<b>\$14,514,003</b>

**STATEMENT OF ACTIVITIES FOR THE YEAR ENDED JUNE 30, 2007**

	Governmental Activities	Component Units	Total
<b>REVENUES</b>			
Federal Grants	\$295,371	\$0	\$295,371
Sale of Goods and Services	158,818	0	158,818
State Appropriation	1,634,102	0	1,634,102
Non-Federal Grants	0	1,770,009	1,770,009
Contributions and Earnings	0	3,759,358	3,759,358
Other Miscellaneous Revenue	97,426	0	97,426
Payments to/(from) Affiliates	4,278,554	(4,278,554)	0
<b>Total Revenues</b>	<b>\$6,464,271</b>	<b>\$1,250,813</b>	<b>\$7,715,084</b>
<b>EXPENSES</b>			
Programming/Production	\$2,322,494	\$5,561	\$2,328,055
Broadcasting	1,848,726	0	1,848,726
Program Information	426,061	0	426,061
Fund Raising/Development	935,584	68,862	1,004,446
Management/General	1,170,099	36,645	1,206,744
<b>Total Expenditures</b>	<b>\$6,702,964</b>	<b>\$111,068</b>	<b>\$6,814,032</b>
<b>Change in Net Assets</b>	<b>(\$238,693)</b>	<b>\$1,139,745</b>	<b>\$901,052</b>
<b>Net Assets -- Beginning (as Restated)</b>	<b>\$7,698,288</b>	<b>\$5,914,663</b>	<b>\$13,612,951</b>
<b>Net Assets -- Ending</b>	<b>\$7,459,595</b>	<b>\$7,054,408</b>	<b>\$14,514,003</b>

**OTHER ISSUES.** Legislative auditors discussed other, less important issues which, if changed, would improve internal control, ensure compliance, or improve efficiency.

This report is intended solely for the information and use of IdahoPTV and the Idaho Legislature and is not intended to be used by anyone other than these specified parties.

We thank the general manager, Peter Morrill, and his staff for their assistance and cooperation given to us during this audit.

**QUESTIONS CONCERNING THIS AUDIT SHOULD BE DIRECTED TO:**

Don H. Berg, CGFM, Manager, Legislative Audits Division

Chris Farnsworth, CPA, Managing Auditor

Report OP52007

# AGENCY RESPONSE

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IDAHO PUBLIC  
TELEVISION  
idahoptv.org

Making a better world by  
inspiring, enriching, and educating  
the people we serve.

1455 North Orchard Street Boise ID 83706  
FAX: (208) 373-7245 **(208) 373-7220**

November 28, 2007

Chris Farnsworth, CPA  
Managing Auditor  
Legislative Auditor's Office  
Statehouse Mail  
Boise, ID 83720

Dear Chris,

Please consider this letter Idaho Public Television's Agency Response to the Audit Report for the fiscal year ending June 30, 2007.

I appreciate the thoroughness and responsiveness of this year's audit team, Craig Weathers and Brinton Croff.

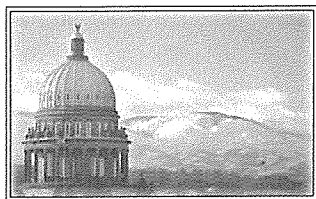
Again, it was a pleasure working with you and your staff.

Warm regards,

Phillip Kottraba  
Chief Fiscal Officer







# Legislative Services Office

## Idaho State Legislature

*Serving Idaho's Citizen Legislature*

**Jeff Youtz**  
Director

November 30, 2007

Unqualified Opinion on  
Basic Financial Statements

### Independent Auditor's Report

Peter Morrill, General Manager  
Idaho Public Television  
1455 North Orchard Street  
Boise, ID 83706

Idaho State Board of Education  
650 West State Street, Room 307  
Boise, ID 83720-0037

Dear Mr. Morrill and Board Members:

We have audited the accompanying financial statements of the governmental activities, the aggregate discretely presented component units, and each major fund for Idaho Public Television's (IdahoPTV) as of and for the year ended June 30, 2007, which collectively comprise IdahoPTV's basic financial statements as listed in the table of contents. These financial statements are the responsibility of IdahoPTV's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the aggregate discretely presented component units, and each major fund of IdahoPTV as of June 30, 2007, and the respective changes in financial position for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated November 30, 2007, on our consideration of IdahoPTV's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements, and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered when assessing the results of our audit.

**Mike Nugent, Manager**  
Research & Legislation

**Cathy Holland-Smith, Manager**  
Budget & Policy Analysis

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**Don H. Berg, Manager**  
Legislative Audits

**Glenn Harris, Manager**  
Information Technology

The Management's Discussion and Analysis on pages 7 through 12 and Budgetary Comparison Schedule and corresponding note on pages 29 and 30, are not required parts of the basic financial statements but are supplementary information required by the Governmental Accounting Standards Board. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion thereon.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the State's basic financial statements. The supplementary information is presented for the purposes of additional analysis and is not a required part of the basic financial statements. The supplemental information has not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion on it.

Sincerely,

A handwritten signature in dark ink, appearing to read 'Don H. Berg', with a stylized flourish at the end.

Don H. Berg, CGFM, Manager  
Legislative Audits Division

# MANAGEMENT DISCUSSION AND ANALYSIS FOR THE YEAR ENDED JUNE 30, 2007

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The discussion and analysis of Idaho Public Television's (IdahoPTV) basic financial statements provides an overall review of financial activities for the fiscal year ended June 30, 2007. The analysis provides comparative information for the current fiscal year and the prior fiscal year. The financial statements are presented in accordance with Generally Accepted Accounting Principles (GAAP).

## FINANCIAL HIGHLIGHTS

- IdahoPTV is partially funded by a General Fund appropriation of \$1,658,600. The final appropriation also included one-time funds from the Economic Recovery Fund of \$1,590,000, as match towards the total funding needed to help complete the Federal Communication Commission's mandated conversion to digital television. The appropriation also included a payroll merit raise of 3%. IdahoPTV's total State funded appropriation, including one-time Economic Recovery money was \$3,248,600. Raises given from the Community Service Grant payroll and Miscellaneous Revenue payroll are self-funded using appropriate private sources.
- In fiscal year 2007, IdahoPTV received a Community Service grant from the Corporation for Public Broadcasting in the amount of \$959,361, along with \$19,992, to help defray some of the interconnection costs.
- Idaho Public Television Foundation, Inc. and the three Friends of Idaho Public Television made payments of \$4,278,554 to Idaho Public Television Miscellaneous Revenue Fund (0349) during fiscal year 2007, an increase of \$111,139 from fiscal year 2006.

## OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as an introduction to IdahoPTV's basic comparative financial statements. IdahoPTV's comparative financial statements are comprised of three parts: (1) government-wide financial statements; (2) fund financial statements; and (3) notes to the financial statements. This report also contains supplementary information in addition to the basic financial statements.

**Government-wide Financial Statements.** The government-wide financial statements are designed to provide readers with a broad overview of IdahoPTV's finances in a manner similar to private sector businesses. These statements include a Statement of Net Assets and a Statement of Activities for IdahoPTV in total. *GASB 34* does not require comparative financial statements; however, IdahoPTV has put them in that format to enhance the quality of information for the users and to fulfill a requirement of the Corporation for Public Broadcasting.

The Statement of Net Assets presents information on assets and liabilities, with the difference reported as net assets. Analyzing increases or decreases in net assets is one way to measure IdahoPTV's overall financial position and may serve as an indicator of whether the financial position of IdahoPTV is improving or deteriorating.

The Statement of Activities shows how IdahoPTV's net assets changed during the most recent fiscal year. All changes in net assets are reported as soon as the underlying event occurs, regardless of the timing of related cash flows. Thus, revenues and expenses reported in these statements are on an accrual basis, which will result in cash flows for some of those items in future periods.

**Fund Financial Statements.** A fund is a group of related accounts used to maintain control over resources segregated for specific activities or objectives. IdahoPTV uses fund accounting to ensure and demonstrate compliance with financial-related legal requirements. IdahoPTV uses one fund type – governmental funds.

Governmental funds are used to account for essentially the same functions as reported in the governmental activities in the government-wide financial statements. However, the governmental fund statements present the different operations of IdahoPTV and provide a short-term view of financial resources that can be used in the near future. Governmental fund information does not report long-term commitments that are reported on the government-wide statements. Reconciliations between the governmental funds and the government-wide statements are included.

IdahoPTV maintains three individual governmental funds. Information is presented separately in the Governmental Fund Balance Sheet and in the Governmental Fund Statement of Revenues, Expenditures, and Changes in Fund Balances for each fund.

**Notes to the Financial Statements.** The notes to the financial statements provide additional information that is helpful when analyzing data provided in the government-wide and fund financial statements.

**Other Information.** In addition to the basic financial statements and accompanying notes, this report also presents budget comparisons for the General Fund and Miscellaneous Revenue Fund to demonstrate compliance with the fiscal year 2007 budget.

The budget is a cash basis budget; the fund financial statements are modified accrual. Reconciliation between the two is completed, and the differences consist mainly of accrued payroll and accounts payable.

There was no holdback or negative supplemental for fiscal year 2007 that impacted IdahoPTV's budget.

## **GOVERNMENT-WIDE FINANCIAL ANALYSIS**

As noted earlier, net assets may serve over time as a useful indicator to determine whether a government's financial position is improving or deteriorating. At June 30, 2007, IdahoPTV's assets exceeded liabilities by \$14,514,003, and 28.5% of net assets were unrestricted. Unrestricted assets may be used to meet IdahoPTV's ongoing obligations. The remaining assets are investments in capital assets (e.g., land, building, and equipment) and the Idaho Public Television Foundation's permanent trust.

**IDAHO PUBLIC TELEVISION – NET ASSETS**

	2006	2007	Percentage Change
Current and Other Assets	\$6,907,961	\$7,288,008	
Capital Assets	<u>7,618,738</u>	<u>7,663,979</u>	
Total Assets	<u>\$14,526,699</u>	<u>\$14,951,987</u>	+2.9%
Current Liabilities	\$689,822	\$303,540	
Non-Current Liabilities	<u>224,374</u>	<u>134,444</u>	
Total Liabilities	<u>\$914,196</u>	<u>\$437,984</u>	-52.1%
Net Assets:			
Invested in Capital Assets	\$7,618,738	\$7,663,979	
Restricted	2,658,305	2,710,871	
Unrestricted	<u>3,335,460</u>	<u>4,139,153</u>	
Total Net Assets	<u>\$13,612,503</u>	<u>\$14,514,003</u>	+7%

Total net assets include net assets of \$694,292 in the Friends of Idaho Public Television, KAID/KIPT, Inc; \$244,669 in the Friends of Idaho Public Television, KISU, Inc; \$88,728 in the Friends of Idaho Public Television, KUID/KCDT, Inc; and \$6,026,719 in the Idaho Public Television Foundation, Inc.

Net assets increased 7% to \$14,514,003. This is due primarily to an increase in unrestricted assets. Long-term liabilities decreased due to year end federal grant expenditures that were reimbursed this year but the expense occurred in the previous fiscal year. Current liabilities decreased because there was deferred revenue from a prepaid underwriting payment that was recognized in fiscal year 2007.

# IDAHO PUBLIC TELEVISION – STATEMENT OF ACTIVITIES

	<u>2006</u>	<u>2007</u>	<u>Percentage Change</u>
REVENUES:			
Program Revenues:			
Charges for Services	\$173,071	\$158,818	
Capital Grants	694,736	295,371	
Operating Grants	<u>39,627</u>	<u>97,426</u>	
Total Program Revenues	\$907,434	\$551,615	-39%
General Revenues:			
Appropriations from General Fund	\$2,352,622	\$1,634,102	
Contributions	2,121,689	2,191,321	
Underwriting	796,401	827,534	
Corporate Match	59,890	51,967	
Income on Investments	177,930	203,437	
Restricted investment endowment	22,329	22,550	
Net Unrealized and Realized Gains/Losses on Investments	17,946	462,549	
Loss on Salvaged Equipment			
CPB Community Service Grant and Interconnect	947,600	959,361	
Unrestricted Grants and Contributions	277,923	810,648	
Gain on Sale of Equipment	<u>44,120</u>	<u>0</u>	
Total General Revenues	\$6,778,450	\$7,163,469	6%
Total Revenues	<u>\$7,685,450</u>	<u>\$7,715,084</u>	
EXPENSES:			
Programming/Production	\$2,377,068	\$2,328,055	
Broadcasting	2,431,635	1,848,726	
Program Information	425,646	426,061	
Fund Raising/Development	1,000,614	1,004,446	
Management/General	<u>1,276,968</u>	<u>1,206,744</u>	
Total Expenses	\$7,511,931	\$6,814,032	9%
Increase/(Decrease) in Net Assets	\$173,955	\$901,052	
Net Assets Beginning	<u>13,438,548</u>	<u>13,612,951</u>	
Net Assets Ending	<u>\$13,612,503</u>	<u>14,514,003</u>	7%

There is a \$448 difference in the beginning net assets value for fiscal year 2007 and the ending balance in fiscal year 2006 created by prior period adjustments. The adjustment in net asset value is an ancillary sales adjustment to balance the general ledger.

IdahoPTV is funded from General Fund revenues, the Corporation for Public Broadcasting Community Service Grant, contributions, and miscellaneous revenue. Miscellaneous revenue is derived from intergovernmental services, services provided to the public, and operational grants. The amount of support received from private contributions and State General Funds depends heavily on the overall state of the economy.

IdahoPTV's capital assets include equipment necessary for transmission to five IdahoPTV analog and five IdahoPTV digital transmitters statewide: KAID Channel 4, KAID-DT Channel 21, Boise; KUID Channel 12, KUID Channel 22, Moscow; KCDT Channel 26, KCDT-DT Channel 45, Coeur d'Alene; KISU Channel 10, KISU-DT Channel 17, Pocatello; and KIPT Channel 13, KIPT-DT Channel 22, Twin Falls. For signals to reach

the transmitters, IdahoPTV utilizes a central master control in its Boise location and transmission equipment located on the Idaho Department of Administration's north/south and east/west microwaves. IdahoPTV met the FCC deadline of May 1, 2003 to convert all its transmitters to allow digital service in Idaho reserving all ten broadcast licenses both analog and digital. IdahoPTV is currently utilizing grants from federal and private sources as well as State appropriations to upgrade studio and translator equipment into the congressionally mandated digital format. Congress has set a date of February 17, 2009 for the final dissolution of analog television. This will leave viewers with only digital television from that point in time.

Other capital assets include three studios with production facilities for editing and broadcasting in Boise, Moscow, and Pocatello. Assets include equipment for broadcast repair and maintenance, a computer network, office furniture, and 12 vehicles. Depreciation expense for fiscal year 2007 was \$965,275. Capital assets on June 30, 2007 totaled \$7,663,979.

## **FINANCIAL ANALYSIS OF IDAHO PUBLIC TELEVISION'S FUNDS**

IdahoPTV accounts for operating activities in three major funds. The major funds are the General Fund, Federal Fund, and the Miscellaneous Fund.

The General Fund is a primary operating fund for IdahoPTV. It is used to account for the State General Fund appropriation. The fund is used to pay for personnel costs, administrative costs, and to purchase capital assets. The fiscal year 2007 General Fund ending appropriation was \$3,248,600. In fiscal year 2007, the Idaho Legislature used Economic Recovery Funds (\$1,590,000) to supplement General Fund appropriations. The Idaho Legislature also allowed the unused Economic Recovery Funds from fiscal year 2007 to be carried forward into fiscal year 2008 for use in the upgrade of the KISU studios in Pocatello.

The Miscellaneous Fund is also a primary operating fund for IdahoPTV. This fund receives an annual legislative appropriation of about \$900,000 (\$865,800 in fiscal year 2007) and non-cognizable funds from the Friends of Public Television, the Public Television Foundation, and the Corporation for Public Broadcasting of about \$4 million each year (\$4,411,229 in fiscal year 2007). Idaho Code, Section 67-3516(2) allows the Division of Financial Management, with Board of Examiner approval, to increase the spending authority when funds other than State funds become available (i.e., funds that were not known about or the amounts that could not be determined at the time appropriations were made). Money receipted into the Miscellaneous Fund is used to pay personnel costs, programming costs, and general operating costs.

The Federal Fund is used to receive federal grant money and to pay for capital equipment projects. The federal funds are from Ready to Lead in Literacy, a PBS project, the U.S. Department of Commerce, and the U.S. Department of Agriculture's Rural Utility Service.

The Miscellaneous Fund balance decreased \$285,633 during fiscal year 2007 because of "Due To/From" other funds. The fund balance in the Federal Fund increased by \$26,860 because of the difference generated by grant receivables from the U.S. Department of Commerce and grant payments received. The long-term debt recognizes an amount for compensated absences which decreased by \$89,930. Additional information is provided in Note 3. Capital assets increased by \$45,241, mainly due to the success of applying for federal equipment grants and less depreciation. Additional information may be found in Note 6.

## **FUTURE ECONOMIC FACTOR**

The FCC has issued guidelines indicating it will require broadcasters nationwide, including IdahoPTV, to convert analog translators to digital standards in the coming years. Currently IdahoPTV has 37 analog translators, 23 of which have been converted to digital ready transmission. Full funding is available for the remaining 14 through the Idaho Legislature and federal grant awards. The FCC will require IdahoPTV to shut off analog television on February 17, 2009.

The KAID studio and production control facility have been upgraded to digital television. Funding for the KISU studio upgrade and the KUID studio upgrade have been secured by the Idaho Legislature. IdahoPTV procured a private grant from the Murdock Foundation to upgrade field equipment to high definition to ensure better quality local broadcasts.



STATE OF IDAHO  
IDAHO PUBLIC TELEVISION  
STATEMENT OF NET ASSETS  
AS OF JUNE 30, 2007

	Primary Government	Component Units				
	Governmental Activities	Friends of KAID	Friends of KISU	Friends of KUID	IdahoPTV Foundation	Total
<b>Assets</b>						
<b>Current:</b>						
Cash and Cash Equivalents	\$61,106	\$420,803	\$122,077	\$70,607	\$1,754,031	\$2,428,624
Investments	0	109,694	85,502	0	1,533,935	1,729,131
Due from State	65,136	0	0	0	0	65,136
Accounts and Interest Receivable	74,021	1,045	1,821	0	10,649	87,536
Contributions Receivable	0	162,734	32,271	18,143	20,225	233,373
Intragency Receivables	0	16	3,000	0	8	3,024
Inventories and Prepaid Expense	30,313	0	0	0	0	30,313
<b>Restricted Assets:</b>						
Cash and Cash Equivalents	0	0	0	0	2,377	2,377
Investments	0	0	0	0	2,686,564	2,686,564
Contributions Receivable - Restricted	0	0	0	0	21,930	21,930
<b>Non-Current:</b>						
<b>Capital Assets (Net of Accumulated Depreciation)</b>						
Buildings	412,642	0	0	0	0	412,642
Equipment	7,251,337	0	0	0	0	7,251,337
<b>Total Assets</b>	<b>\$7,894,555</b>	<b>\$694,292</b>	<b>\$244,671</b>	<b>\$88,750</b>	<b>\$6,029,719</b>	<b>\$14,951,987</b>
<b>Liabilities</b>						
<b>Current:</b>						
Payroll and Benefits Payable	\$116,644	\$0	\$0	\$0	\$0	\$116,644
Intragency Payables	0	0	2	22	3,000	3,024
Accounts payable	67,139	0	0	0	0	67,139
Current Portion of Compensated Absences	116,733	0	0	0	0	116,733
Non-Current Portion of Compensated Absences	134,444	0	0	0	0	134,444
<b>Total Liabilities</b>	<b>\$434,960</b>	<b>\$0</b>	<b>\$2</b>	<b>\$22</b>	<b>\$3,000</b>	<b>\$437,984</b>
<b>Net Assets</b>						
Invested in Capital Assets, Net of Related Debt	\$7,663,979	\$0	\$0	\$0	\$0	\$7,663,979
Restricted Permanent Trust - Non-Expendable	0	0	0	0	2,710,871	2,710,871
Unrestricted	(204,384)	694,292	244,669	88,728	3,315,848	4,139,153
<b>Total Net Assets</b>	<b>\$7,459,595</b>	<b>\$694,292</b>	<b>\$244,669</b>	<b>\$88,728</b>	<b>\$6,026,719</b>	<b>\$14,514,003</b>

The accompanying notes are an integral part of these financial statements.

STATE OF IDAHO  
IDAHO PUBLIC TELEVISION  
STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED JUNE 30, 2007

Functions/Programs	Program Revenues				Primary Governmental Activities	Net (Expenses) Revenue and Changes in Net Assets					Total
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions		Friends of KAID	Friends of KISU	Friends of KUID	IdahoPTV Foundation		
Primary Government:											
Governmental Activities											
Programming/Production	\$2,322,494	\$4,116	\$71,632	\$0	(\$2,246,746)						(\$2,246,746)
Broadcasting	1,848,726	34,286	19,824	295,371	(1,499,245)						(1,499,245)
Program Information	426,061	0	0	0	(426,061)						(426,061)
Fund Raising/Development	935,584	118,046	5,301	0	(812,237)						(812,237)
Management/General	1,170,099	2,370	669	0	(1,167,060)						(1,167,060)
Total Primary Government	\$6,702,964	\$158,818	\$97,426	\$295,371	(\$6,151,349)						(\$6,151,349)
Component Units:											
Programming/Production	5,561	0	0	0		0	0	0		(5,561)	(5,561)
Broadcasting	0	0	0	0		0	0	0		0	0
Program Information	0	0	0	0		0	0	0		0	0
Fund Raising/Development	68,862	0	0	0		(24,565)	(4,843)	(2,590)		(36,864)	(68,862)
Management/General	36,645	0	0	0		(1,313)	(107)	(222)		(35,003)	(36,645)
Total Component Units	\$111,068	\$0	\$0	\$0		(\$25,878)	(\$4,950)	(\$2,812)		(\$77,428)	(\$111,068)
General Revenues:											
State Appropriation					1,634,102	0	0	0		0	1,634,102
Contributions					0	1,598,965	344,314	228,042		20,000	2,191,321
Corporate Match					0	8,864	0	150		42,953	51,967
Underwriting					0	78,009	36,312	4,700		708,513	827,534
CSG Grant					0	0	0	0		959,361	959,361
Grants/Contributions Not Restricted to Specific Programs					0	1,383	1,254	0		808,011	810,648
Unrestricted Investment Earnings					0	15,901	4,954	0		182,578	203,433
Restricted Foundation Endowment					0	0	0	4		22,550	22,554
Net Increase/(Decrease) in Fair Value of Investments					0	8,290	140	0		454,119	462,549
Gain on Sale of Equipment					0	0	0	0		0	0
Loss on Salvaged Equipment					0	0	0	0		0	0
Payments to/(from) Affiliates					0	0	0	0		0	0
Total Revenues					4,278,554	(1,590,326)	(295,750)	(185,519)		(2,206,959)	0
Change in Net Assets					\$5,912,656	\$121,086	\$91,224	\$47,377		\$991,126	\$7,163,469
Net Assets - Beginning (as Restated)					(\$238,693)	\$95,208	\$86,274	\$44,565		\$913,698	\$901,052
Total Net Assets - Ending					7,698,288	\$99,084	\$158,395	\$44,163		\$5,113,021	13,612,951
					\$7,459,595	\$694,292	\$244,669	\$88,728		\$6,026,719	\$14,514,003

The accompanying notes are an integral part of these financial statements.

STATE OF IDAHO  
IDAHO PUBLIC TELEVISION  
BALANCE SHEET  
GOVERNMENTAL FUNDS  
AS OF JUNE 30, 2007

	General Fund	Miscellaneous Fund	Federal Fund	Total
<b>Assets</b>				
Cash and Cash Equivalents	\$0	\$14,620	\$46,486	\$61,106
Accounts and Interest Receivable	0	11,592	62,429	74,021
Due from State	65,136	0	0	65,136
Due from Other Funds	0	57,419	0	57,419
Inventories and Prepaid Expense	1,642	28,671	0	30,313
Total Assets	\$66,778	\$112,302	\$108,915	\$287,995
<b>Liabilities and Fund Balances</b>				
<b>Liabilities</b>				
Payroll and Benefits Payable	\$32,587	\$84,057	\$0	\$116,644
Due to Other Funds	0	0	57,419	57,419
Accounts Payable	32,549	22,258	12,332	67,139
Total Liabilities	\$65,136	\$106,315	\$69,751	\$241,202
<b>Fund Balances</b>				
Reserve for:				
Inventories and Prepaid Expenses	\$1,642	\$28,671	\$0	\$30,313
Unreserved Reported in General Fund	0	0	0	0
Special Revenue	0	(22,684)	39,164	16,480
Total Fund Balances	\$1,642	\$5,987	\$39,164	\$46,793
Total Liabilities and Fund Balances	\$66,778	\$112,302	\$108,915	\$287,995

RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET  
TO THE STATEMENT OF NET ASSETS

Total Fund Balances - Governmental Funds	\$46,793
Amounts reported for governmental activities in the statement of net assets are different because:	
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.	7,663,979
Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds.	(251,177)
Net Assets of Governmental Activities	<u>\$7,459,595</u>

The accompanying notes are an integral part of these financial statements.

STATE OF IDAHO  
IDAHO PUBLIC TELEVISION  
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES  
GOVERNMENTAL FUNDS  
FOR THE YEAR ENDED JUNE 30, 2007

	General Fund	Miscellaneous Fund	Federal Fund	Total
<b>Revenues</b>				
Federal Grants	\$0	\$0	\$332,870	\$332,870
Book and Video Sales	0	118,004	0	118,004
Other Miscellaneous Revenue	0	100,740	0	100,740
Total Revenues	\$0	\$218,744	\$332,870	\$551,614
<b>Expenditures</b>				
Current:				
Programming/Production	\$187,943	\$2,162,880	\$0	\$2,350,823
Broadcasting	570,203	475,229	(171,523)	873,909
Program Information	93	421,174	0	421,267
Fund Raising/Development	0	926,596	0	926,596
Management/General	729,165	409,125	0	1,138,290
Capital Outlay	145,056	387,927	477,533	1,010,516
Total Expenditures	\$1,632,460	\$4,782,931	\$306,010	\$6,721,401
Revenues Over (Under) Expenditures	(1,632,460)	(4,564,187)	26,860	(6,169,787)
<b>Other Financing Sources (Uses)</b>				
State General Fund Appropriation	\$1,584,933	\$0	\$0	\$1,584,933
State Dedicated Fund Appropriation	49,169	0	0	49,169
Payments from Affiliates	0	4,278,554	0	4,278,554
Total Other Financing Sources	\$1,634,102	\$4,278,554	\$0	\$5,912,656
Net Change in Fund Balances	\$1,642	(\$285,633)	\$26,860	(\$257,131)
Fund Balances Beginning - as Restated	\$0	\$291,620	\$12,304	\$303,924
Fund Balances Ending	\$1,642	\$5,987	\$39,164	\$46,793

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCES

Net Change in Fund Balances - Total Governmental Funds (257,131)

Amounts reported for governmental activities in the Statement of Activities are different because:  
governmental funds report capital outlays as expenditures; however, in the Statement of  
activities, the cost of those assets is allocated over their estimated useful lives and reported  
as depreciation expense. This is the amount by which capital outlays (\$1,010,516)  
exceeded depreciation (\$965,275) in the current period.

45,241

Under the modified accrual basis of accounting used in the governmental funds, expenditures are  
not recognized for transactions that are not normally paid with expendable available financial  
resources. In the Statement of Activities, however, which is presented on the accrual basis,  
expenses and liabilities are reported regardless of when financial resources are available. This  
requires an adjustment for compensated absences.

(26,803)

Change in Net Assets of Governmental Activities

(238,693)

The accompanying notes are an integral part of these financial statements.

# NOTES TO FINANCIAL STATEMENTS

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## NOTE #1

### *SIGNIFICANT ACCOUNTING POLICIES*

The accounting policies of Idaho Public Television (IdahoPTV) conform to the Corporation for Public Broadcasting, as applicable to public broadcasting stations. IdahoPTV's financial statements have been prepared in conformity with United States generally accepted accounting principles (GAAP) as applied to government units. The following is a summary of the more significant policies.

#### **REPORTING ENTITY**

IdahoPTV is a State agency. In determining how to define IdahoPTV for financial reporting purposes, management has considered all potential component units in accordance with *GASB Statements 14* and *39*. The primary entity is IdahoPTV, which includes a central management staff, three staffed stations (KAID, KISU, KUID), and an interconnection system among the ten public television transmitters in Idaho (KAID, KISU, KUID, KIPT, KCDT, KAID-DT, KISU-DT, KUID-DT, KIPT-DT, and KCDT-DT).

The component units are reported in separate columns in the government-wide statements to emphasize that they are legally separate from IdahoPTV; however, IdahoPTV is able to impose its will upon these component units. The Federal Communications Commission (FCC) allows on-air fund raising conducted for Friends groups but with a significant restriction that all support go to the licensee. The component units consist of the IdahoPTV Foundation, Friends of IdahoPTV KAID/KIPT, Friends of IdahoPTV KISU, and Friends of IdahoPTV KUID/KCDT. The component units are not included in the fund statements. The fund statements consist of governmental funds.

The Friends organizations and the Foundation are exempt from federal income taxes under Section 501(c)(3) of the United States Internal Revenue Code.

IdahoPTV contributes to the multi-employer Public Employee Retirement System of Idaho (PERSI). PERSI is administered by the State of Idaho and IdahoPTV is not the major participant in

the plan; therefore, the plan's financial statements are not included in this report.

## **GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS**

The government-wide financial statements (Statement of Net Assets and Statement of Activities) report information on all IdahoPTV activities and discretely presented component units. Within the government-wide financial statements, all of IdahoPTV's activities are reported as governmental activities. These activities are financed primarily through General Fund appropriations and contributions from the Foundation and Friends organizations.

The Statement of Net assets presents IdahoPTV's assets and liabilities with the difference reported as net assets. Net assets are reported in three categories:

1. Investments in capital assets are the net of accumulated depreciation reduced by any outstanding debt.
2. Restricted net assets result when constraints are externally imposed by contributors, by law, or by enabling legislation on how the assets can be used.
3. Unrestricted net assets are those not meeting the definition of the two preceding categories. Often these have resource constraints imposed by management that can be removed or modified.

The Statement of Activities shows the degree to which the direct expenses of a given function are offset by program revenues. Direct expenses are those that are clearly identifiable within a specific function. Program revenues include fees and charges paid by recipients of goods or services offered by the program. Appropriations, contributions, and other items not meeting the definition of program revenues are reported as general revenue.

The fund financial statements are separate statements provided for each of IdahoPTV's funds; each fund is reported in a separate column. IdahoPTV has three major funds as described below:

### General Fund

This fund is used to account for financial resources from State appropriations. The General Fund is the primary source used to pay the costs of administration, transmission, personnel, capital outlay, and operations of IdahoPTV.

### Miscellaneous Fund

This is IdahoPTV's primary operating fund. It accounts for money received from the Corporation for Public Broadcasting, video sales, and transfers from the Friends organizations to the

State. These funds are used to pay personnel costs, programming costs, and general operating costs.

#### Federal Fund

This fund is the major fund used to receive federal grant money and to pay for capital equipment projects. The grants are from the U.S. Department of Commerce's National Telecommunications Information Agency and Public Telecommunications Facilities Program; Department of Education; and the U.S. Department of Agriculture, Rural Utilities Service.

### **MEASUREMENT FOCUS AND BASIS OF ACCOUNTING**

The government-wide financial statements are reported using the economic resource measurement focus and the accrual basis of accounting. All assets and liabilities are presented on the Statement of Net Assets. Revenues are recorded when earned, and expenses are recorded at the time liabilities are incurred, regardless of when the related cash flow takes place. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental funds are reported using the current financial resource measurement focus and the modified accrual basis of accounting. Under governmental fund accounting, only current assets and current liabilities are generally included on the balance sheet. Revenues are recognized when measurable and available. IdahoPTV considers all revenues reported in the governmental funds to be available if the revenues are collected within 60 days after the year end. Funds from the sale of services, books, and videos, as well as any interest may be accrued. Expenditures are recorded when the related fund liability is incurred, except for compensated absences, which are recognized as expenditures to the extent they have matured. General capital asset acquisitions are reported as expenditures in the governmental funds.

### **ASSETS, LIABILITIES, AND NET ASSETS**

#### Cash and Cash Equivalents

IdahoPTV's primary governmental fund cash and cash equivalents are considered to be cash on hand and are on deposit with the State Treasurer's Office. The cash and cash equivalents identified for component units are cash in checking and savings accounts, money market accounts, and petty cash.

#### Investments

Investments are reported at fair value. Additional disclosure is identified in Note #2.

Accounts/Interest/Pledges Receivable and Receivable Due from State

The majority of receivables are pledges and interest. The receivable from the State is the amount remaining in the General Fund appropriation to pay current outstanding liabilities.

Inventories and Prepaid Expenses

Inventories are valued at cost, primarily using the first-in, first-out method. Both inventories and prepaid expenses are reported under the consumption method.

Intragency Receivables and Payables

Intragency receivables and payables are funds due to and from the discretely presented component units. These are funds that have been deposited into a common account until they can be identified as to which Friends' account they belong.

Restricted Assets

Certain receipts are classified as permanently restricted assets under the Idaho Public Television Foundation, a component unit. This restriction results from donor-imposed restrictions that require the resources to be permanently maintained. However, IdahoPTV may expend all or part of the income or other economic benefits derived from the donated assets.

Capital Assets

Capital assets are reported at cost or, if the assets are donated, at the market value on the date of the donation. Only capital assets valued at \$5,000 or more are capitalized. Depreciation is recorded using the straight-line method. The value of each asset is reduced by equal amounts over its estimated useful life as follows:

	Estimated Useful Life (Years)
Equipment	5-30
Building Improvements	15-40

Maintenance, repairs, and minor remodels are charged as operating expenses when incurred. When an asset is disposed of, accumulated depreciation is deducted from the original cost and any gain or loss arising from its disposal is credited or charged to operations.

Additional disclosures related to capital assets are provided in Note #6.

Encumbrances

The Division of Financial Management approved a Miscellaneous Encumbrance Requisition (MER) in the amount



of \$1,424,434 in Fund 0150(01). These funds include the upgrade of the Pocatello/KISU studio project, and \$980,580 and \$443,854 for the digital upgrade of rural translator sites throughout Idaho. In the budget process for fiscal year 2008, legislative intent language grants encumbrance authority to IdahoPTV for these funds.

#### Accounts Payable

Payables in the government-wide financial statements consist primarily of short-term vendor obligations.

#### Other Liabilities

Other liabilities consist of payroll and benefits payable.

Government-wide financial statements report long-term obligations as liabilities, with the portion payable within 12 months designated separately from the portion payable in more than 12 months. Long-term liabilities include compensated absences payable, which includes vacation and compensatory time earned by employees but not paid.

#### Deferred Revenue

Deferred revenue is recognized when revenue is received prior to being earned. In the governmental fund statements, deferred revenue is also recognized when revenue is earned but not available.

#### Net Assets

Net assets include investments in capital assets net of related debt. Restricted assets are assets whose use is restricted by grantors, contributors, laws or regulations. Unrestricted assets are assets that do not fall under the previous two categories.

### **REVENUES AND EXPENDITURES/EXPENSES**

In the government-wide statement of activities, revenues and expenses are segregated by activity (government or component unit) and by function (programming/production, broadcasting, etc.). Additionally, revenues are classified as program or general revenues. Program revenues include charges to customers or applicants for goods, services, or privileges provided and certain grants and contributions. General revenues include General Fund appropriation, general contributions, and general grants. In the government-wide statement of activities, all internal transfers (to/from) are eliminated. These are shown in the fund statements.

In the governmental fund financial statements, revenues are reported by source. These revenues are available to fund any activity accounted for in the fund.

In the governmental fund financial statements, expenditures are reported by function. Capital outlay expenditures were for equipment primarily related to the conversion to digital television. A more in-depth breakout of capital expenditures is shown in Note #6.

#### Financing Sources (Uses)

The additions to governmental fund balances in the fund financial statements include IdahoPTV's General Fund appropriation and payments from discretely presented component units.

#### Restatement of Beginning Fund Balances and Net Assets

During fiscal year 2007, additional information became available that required the restatement of the beginning net assets balance in the government-wide financial statements. One adjustment was to inventory, increasing the beginning balance by \$448. The other was an overstatement of grant expenditures in federal funds by \$207,559. The expenditure was recorded, as well as a grant payable for the same amount.

#### Variances in Statements and Notes

Amounts may differ in schedules and notes due to rounding.

## NOTE #2

### *CASH AND INVESTMENTS*

#### Deposits

*GASB Statement No. 40* requires certain disclosures regarding policies and practices with respect to investments and the risks associated with them.

IdahoPTV follows policies and procedures of its governing board, the State Board of Education.

#### Credit Quality Ratings

At June 30, 2007, IdahoPTV had the following credit quality ratings:

Investment Type	Fair Market Value	AAA	AA-	A	A+	A-
Mutual Funds	\$510,126	\$0	\$0	\$0	\$0	\$0
Corporate Debt Instruments	610,758	147,038	107,165	147,364	49,053	25,057
U.S. Government Obligations	763,317	763,317	0	0	0	0
<b>Total Rated Debt Securities</b>	<u>\$1,884,201</u>	<u>\$910,355</u>	<u>\$107,165</u>	<u>\$147,364</u>	<u>\$49,053</u>	<u>\$25,057</u>
		<b>A2</b>	<b>BBB+</b>	<b>BBB</b>	<b>B</b>	<b>Unrated</b>
		\$0	\$0	\$0	\$35,283	\$474,843
		18,698	20,112	48,587	47,684	0
		0	0	0	0	0
		<u>\$18,698</u>	<u>\$20,112</u>	<u>\$48,587</u>	<u>\$82,967</u>	<u>\$474,843</u>

#### Concentration of Credit Risk

IdahoPTV has no reportable concentration of credit risk.

#### Interest Rate Risk

The following table represents IdahoPTV's investment maturities at June 30, 2007.

Debt Security Investments – Investment Maturities in Years					
Investment Type	Fair Market Value	Less than 1	1-5	6-10	Over 10 Open-ended
Mutual Funds	\$510,126	\$10,786	\$195,831	\$0	\$303,509
Corporate Debt Instruments	610,758	48,945	272,607	262,545	26,661
U.S. Government Agency Obligations	763,317	59,924	251,591	362,199	89,603
Total Rated Debt Securities	<u>\$1,884,201</u>	<u>\$119,655</u>	<u>\$720,029</u>	<u>\$624,744</u>	<u>\$419,773</u>

#### Donor Restricted Assets

IdahoPTV holds donor restricted assets consisting of investments with a fair value of \$2,686,564 (as of June 30, 2007) and cash and cash equivalents of \$2,377. Investments are held in the name of the Foundation. The IdahoPTV Foundation Board is an advisory board and advises the amount of net appreciation that IdahoPTV can spend. IdahoPTV determines the purpose of the expenditures. At June 30, 2007, there was no net appreciation available for expenditure. The donor restricted assets are reported as Restricted Permanent Trust – Non Expendable Net Assets.

#### **NOTE #3**

##### ***COMPENSATED ABSENCES***

State of Idaho employee benefits include vacation and sick leave allowances. Overtime may be earned under provisions of the Fair Labor Standards Act and Idaho law. Overtime is commonly referred to as "compensatory time" or "comp time" since employees may take time off for the accrued overtime. For purposes of earning and accruing overtime, there are three general classes of employees:

1. Those earning overtime at 1.5 times regular pay rates and who may be paid for the overtime or take time off.
2. Those earning overtime at their regular pay rate and who may only take time off.
3. Those ineligible for overtime.

Under certain circumstances, employees eligible for overtime may accrue earned administrative leave on an hour-for-hour basis. Earned administrative leave is similar to vacation leave but is not subject to any limitation. Upon termination, the following accrued leave balances are paid:

1. Vacation leave
2. Earned administrative leave
3. Overtime for those eligible for payment

Shown below is the total value of leave that has been accrued by IdahoPTV employees as of June 30, 2007. These amounts are accrued in the government-wide financial statements when the benefits are incurred. A liability for the amount is reported in the governmental funds only if it has matured, for example, as a result of employee resignation or retirement.

	<u>Hours Accrued</u>	<u>Due in 1 Year</u>	<u>Due in More than 1 Year</u>	<u>Total Value</u>
Vacation	9,243	\$86,609	\$123,171	\$209,780
Earned Admin. Leave	124	1,597	1,024	2,621
Compensatory Time	<u>1,754</u>	<u>28,527</u>	<u>10,249</u>	<u>38,776</u>
Total	<u>11,121</u>	<u>\$116,733</u>	<u>\$134,444</u>	<u>\$251,177</u>

Changes in Compensated Absences

	<u>Hours</u>	<u>Amount</u>
Beginning Balance	10,477	\$224,374
Increases	10,928	234,099
Decreases	<u>(10,284)</u>	<u>(207,296)</u>
Total	<u>11,121</u>	<u>\$251,177</u>

**NOTE #4**  
**PENSION PLAN**

The Public Employee Retirement System of Idaho (PERSI), a cost-sharing multiple-employer public retirement system, was created by the Idaho State Legislature. It is a defined benefit plan requiring that both the member and the employer contribute. Designed as a mandatory system for eligible State and school district employees, the legislation provided for political subdivisions to participate by contractual agreement. Financial reports for the plan are available from PERSI.

After five years of credited service, members become fully vested in retirement benefits earned to date. Members are eligible for retirement benefits when they reach the age specified by their employment classification. For each year of credited service, the annual service retirement allowance is 2.0% or 2.3% (depending on employee classification) of the average monthly salary for the highest consecutive 42 months.

For the year ended June 30, 2007 the required contribution rates were 10.39% and 6.23%. IdahoPTV's contributions required and paid were \$212,844, \$226,760, and \$222,783 for the three years ended June 30, 2005, 2006, and 2007, respectively.

The PERSI Choice Plan is the State's defined contribution retirement plan. Statutes governing the PERSI Choice Plan are found in Idaho Code, Title 59, Chapter 13. Participants direct their own investment mix without restriction and may elect to change their deferral every pay period.

## NOTE #5

### COMMUNITY SERVICE GRANTS

The Corporation for Public Broadcasting (CPB) is a private, nonprofit, grant-making organization responsible for funding more than 1,000 television and radio stations. CPB distributes annual Community Service Grants (CSG's) to qualifying public telecommunications entities. CSG's are used to augment the financial resources of public broadcasting stations, thereby enhancing the quality of programming and expanding the scope of public broadcasting services. Each CSG may be expended during one or two federal fiscal years as described in the *Communications Act, 47 United States Code Annotated Section 396(k)(7), (1983) Supplement*. Each grant must be expended within two years of the initial grant authorization. These grants are not considered federal grants.

According to the Communications Act, funds may be used at the recipient's discretion. Public broadcasters use these funds primarily to transmit, produce, and acquire programming for the purposes of public broadcasting. The grants also may be used to sustain activities that were started with CSG's awarded in prior years.

The grants are reported on the accompanying financial statements as unrestricted operating funds. However, to maintain eligibility and to comply with requirements, certain guidelines must be satisfied when applying for and using the grants. These guidelines pertain to the use of grant funds, record keeping, audits, financial reporting, and licensee status with the FCC.

The CSG's received and expended during the most recent fiscal years were:

Grant Year	Grant Amount	Disbursed		Balance
		FY 2006	FY 2007	
10/1/05-9/30/07	\$947,600	\$156,488	\$791,112	\$0
10/1/07-9/30/09	959,361	0	421,208	538,153

**NOTE #6****CHANGES IN PROPERTY  
AND EQUIPMENT**

Capital assets, which include property and equipment, are reported at cost when purchased or constructed. If acquired by gift, they are recognized at the estimated fair market value at the date of the gift. Expenses for repairs or maintenance are charged to operating expenses as incurred.

A summary of recorded changes in property and equipment follows:

	Book Value at 6/30/06	Additions	Deletions	FY 07 Depreciation	Book Value at 6/30/07
Studio	\$1,416,727	\$499,414	\$0	(\$235,981)	\$1,680,160
Transmission	5,619,118	436,435	0	(666,929)	5,388,624
Vehicles	89,669	47,831	0	(22,189)	115,311
Furniture/Fixtures	87,129	0	0	(19,887)	67,242
Building					
Improvements	<u>406,095</u>	<u>26,836</u>	<u>0</u>	<u>(20,289)</u>	<u>412,642</u>
Total	<u>\$7,618,738</u>	<u>\$1,010,516</u>	<u>\$0</u>	<u>(\$965,275)</u>	<u>\$7,663,979</u>

Function	Fiscal Year 2007 Depreciation
Programming/Production	\$183,673
Broadcasting Program Information	752,867
Fund Raising/Development	1,138
Management/General	<u>27,597</u>
Total	<u>\$965,275</u>

**NOTE #7****LEASES**

IdahoPTV is committed to the following ongoing operating leases:

- Orchard Partners for the main office in Boise and the media room; total lease expense for fiscal year 2007 was \$352,347.
- Thomas V. Faerber for the Lewiston Hill microwave site; total lease expense for fiscal year 2007 was \$4,000.
- McCann Land Company; total lease expense for fiscal year 2007 was \$500.
- King Broadcasting for the Deer Point Tower site; total lease expense for fiscal year 2007 was \$8,000.
- Riverview Industrial Park Chinden for storage space; total lease expense for fiscal year 2007 was \$8,160.
- Clear Channel Communications for Howard Mountain Site lease; total lease expense for fiscal year 2007 was \$4,800.
- Idaho Power for pole leases; the lease expense for fiscal year 2007 was \$4,535.

- Idaho Department of Lands for communication site facility; the lease expense for fiscal year 2007 was \$2,599.
- Idaho Department of Administration for microwave services for mountain top radios and site; lease expense for fiscal year 2007 was \$13,200.
- Citizens Telecommunications Company for No Business Mountain site; lease expense for fiscal year 2007 was \$4,062.
- Dollar Rent-a-Car for van lease; total lease expense for fiscal year 2007 was \$3,973.

Future minimum lease payments are summarized below:

<u>Lease</u>	<u>Amount</u>
Year 2008	\$410,478
Year 2009	403,541
Year 2010	409,597
Year 2011	399,408
Years 2012-2016	2,035,059
Years 2017-2021	2,044,118
Years 2022-2026	<u>2,055,223</u>
Total	<u>\$7,757,424</u>

#### **NOTE #8**

##### ***IN-KIND CONTRIBUTIONS***

In-kind contributions used for fund-raising are not eligible for matching funds in the Annual Financial Report completed for the CPB's Community Service Grant. In-kind donations that are eligible are included in this report for the benefit of the CPB and the reader of this report. In-kind contributions consist of services from donors toward production and broadcasting activities, as well as other types of support. The values of the contributions are shown below and are only reported in this section not the financial statements.

In-kind donations classified under broadcasting/production include donated space in the Statehouse and other donated equipment and services. Donations classified as communication and administration include donated services, donated space, and statewide allocated costs. Following are valuations of donated contributions in fiscal year 2007.

<u>In-Kind Contributions</u>	
Broadcasting/Production	\$139,131
Communications	50,353
Administration	<u>149,788</u>
Total	<u>\$339,272</u>

**NOTE #9****FEDERAL GRANTS**

During fiscal year 2007 IdahoPTV received federal grants from the U.S. Department of Commerce, the U.S. Department of Education, and the U.S. Department of Agriculture.

The grants from the U.S. Department of Commerce was the National Telecommunications and Information Administration/ Public Telecommunications Facilities Program (NTIA/PTFP) (CFDA 11.550) grant for fiscal year 2007. They were to design and equip production control for the mandated digital change and to purchase statewide digital translators.

The grant from the U.S. Department of Education and Public Broadcasting Service was to fund the *Ready to Learn* and *Ready to Lead in Literacy* programs (CFDA 84.295A).

The grants from the U.S. Department of Agriculture were the Rural Utilities Service (RUS) (CFDA 10.861). They were to continue to upgrade existing translator sites to digital.

The activity during the fiscal year for these grants is summarized below:

Grant	Award Amount	FY 2007 Received	FY 2007 Disbursed
RUS – FFY 05	\$674,023	\$309,297	\$332,260
Ready to Lead in Literacy – FY 06	35,000	15,000	0
Ready to Lead in Literacy – FY 07	22,500	22,500	0
NTIA/PTFP – FFY 06	453,700	451,403	109,984
NTIA/PTFP – FFY 08	449,430	1,350	12,454
RUS – FFY 06	308,512	19,540	46,539

The Single Audit requirement will be accomplished by completion of the statewide *2007 Single Audit Report*.



# REQUIRED SUPPLEMENTARY INFORMATION

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STATE OF IDAHO  
IDAHO PUBLIC TELEVISION  
BUDGETARY COMPARISON SCHEDULE  
GENERAL FUND AND MAJOR SPECIAL REVENUE FUND  
FOR THE YEAR ENDED JUNE 30, 2007

**GENERAL FUND BUDGET AND ACTUAL**

	Budgeted Amounts		Actual Amounts	Variance w/ Final Budget Positive/(Negative)
	<u>Original</u>	<u>Final</u>		
<b>EXPENDITURES</b>				
Personnel	\$888,900	\$888,900	\$888,900	\$0
Operating	769,700	769,700	769,700	0
Capital	1,590,000	1,590,000	165,566	1,424,434
Total Expenditures	<u>\$3,248,600</u>	<u>\$3,248,600</u>	<u>\$1,824,166</u>	<u>\$1,424,434</u>
Reconciliation to GAAP basis expenditures:				
Increase in Payroll Payable			\$1,613	
Prepaid Expense			(1,642)	
Decrease in Accounts Payable			(190,035)	
Total GAAP Expenditures			<u>\$1,634,102</u>	

**MAJOR MISCELLANEOUS FUND BUDGET AND ACTUAL**

	Budgeted Amounts		Actual Amounts	Variance w/ Final Budget Positive/(Negative)
	<u>Original</u>	<u>Final</u>		
<b>EXPENDITURES</b>				
Personnel	\$855,800	\$2,524,420	\$2,266,685	\$257,735
Operating	10,000	2,382,170	2,059,651	322,519
Capital	0	552,000	457,816	94,184
Total Expenditures	<u>\$865,800</u>	<u>\$5,458,590</u>	<u>\$4,784,152</u>	<u>\$674,438</u>
Reconciliation to GAAP basis expenditures:				
Reimbursements Pending			\$4,205	
Increase in Payroll Payable			9,703	
Decrease in Accounts Payable			(17,988)	
Ancillary Inventory Adjustment			1,956	
Change in Prepaid Expenses			902	
Total GAAP Expenditures			<u>\$4,782,930</u>	

**MAJOR FEDERAL FUND BUDGET AND ACTUAL**

	Budgeted Amounts		Actual Amounts	Variance w/ Final Budget Positive/(Negative)
	<u>Original</u>	<u>Final</u>		
<b>EXPENDITURES</b>				
Personnel	\$0	\$0	\$0	\$0
Operating	0	0	0	0
Capital	0	650,000	501,237	148,763
Total Expenditures	<u>\$0</u>	<u>\$650,000</u>	<u>\$501,237</u>	<u>\$148,763</u>
Reconciliation to GAAP basis expenditures:				
Decrease in Accounts Payable			(\$195,227)	
Total GAAP Expenditures			<u>\$306,010</u>	

The accompanying note is an integral part of this required financial statement.

# NOTE TO REQUIRED SUPPLEMENTAL INFORMATION – BUDGETARY REPORTING

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## **BUDGETARY BASIS OF ACCOUNTING**

IdahoPTV's legal budget is prepared using cash basis records. Encumbrances are allowed for budgetary control purposes. Revenues are generally recognized when cash is received, and expenditures are recorded when the related cash disbursement occurs. The Budgetary Comparison Schedule is prepared on the budgetary basis and includes this variation from GAAP. The reconciliation at the bottom of the budget and actual statement shows the difference between the budgetary basis and GAAP.

Additional budgeted funds are non-cognizable funds that IdahoPTV transfers to the State from its Friends and Foundation. Non-cognizable funds are funds that IdahoPTV transfers annually from the Friends and Foundation; however, IdahoPTV does not know the extent of the transfers at the start of the year.

# SUPPLEMENTARY INFORMATION INCLUDED FOR COMPARISON PURPOSES

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Fiscal year 2006 statements are included for comparative purposes, as required by the Corporation for Public Broadcasting.

STATE OF IDAHO  
IDAHO PUBLIC TELEVISION  
STATEMENT OF NET ASSETS  
AS OF JUNE 30, 2006

	Primary Government	Component Units				
	Governmental Activities	Friends of KAID	Friends of KISU	Friends of KUID	IdahoPTV Foundation	Total
<b>Assets</b>						
<b>Current:</b>						
Cash and Cash Equivalents	\$32,786	\$120,337	\$33,235	\$9,246	\$877,083	\$1,072,687
Investments	0	339,124	85,333	0	1,563,818	1,988,275
Due from State	253,558	0	0	0	0	253,558
Accounts and Interest Receivable	561,735	1,192	1,822	0	9,351	574,100
Contributions Receivable	0	153,366	28,865	28,330	75,131	285,692
Intragency Receivables	0	0	9,140	5,795	(682)	14,253
Inventories and Prepaid Expense	31,076	0	0	0	0	31,076
<b>Restricted Assets:</b>						
Cash and Cash Equivalents	0	0	0	0	570,118	570,118
Investments	0	0	0	0	2,118,202	2,118,202
<b>Non-Current:</b>						
Capital Assets (Net of Accumulated Depreciation)						
Buildings	406,095	0	0	0	0	406,095
Equipment	7,212,643	0	0	0	0	7,212,643
<b>Total Assets</b>	<b>\$8,497,893</b>	<b>\$614,019</b>	<b>\$158,395</b>	<b>\$43,371</b>	<b>\$5,213,021</b>	<b>\$14,526,699</b>
<b>Liabilities</b>						
<b>Current:</b>						
Payroll and Benefits Payable	\$105,327	\$0	\$0	\$0	\$0	\$105,327
Intragency Payables	0	14,935	0	(792)	0	14,143
Accounts payable	470,352	0	0	0	0	470,352
Deferred Revenue	0	0	0	0	100,000	100,000
Current Portion of Compensated Absences	106,372	0	0	0	0	106,372
<b>Non-Current:</b>						
Non-Current Portion of Compensated Absences	118,002	0	0	0	0	118,002
<b>Total Liabilities</b>	<b>\$800,053</b>	<b>\$14,935</b>	<b>\$0</b>	<b>(\$792)</b>	<b>\$100,000</b>	<b>\$914,196</b>
<b>Net Assets</b>						
Invested in Capital Assets, Net of Related Debt	\$7,618,738	\$0	\$0	\$0	\$0	\$7,618,738
Restricted Permanent Trust - Non-Expendable	0	0	0	0	2,688,320	2,688,320
Unrestricted	79,102	599,084	158,395	44,163	2,424,701	3,305,445
<b>Total Net Assets</b>	<b>\$7,697,840</b>	<b>\$599,084</b>	<b>\$158,395</b>	<b>\$44,163</b>	<b>\$5,113,021</b>	<b>\$13,612,503</b>

Fiscal year 2006 statements are included for comparative purposes, as required by the Corporation for Public Broadcasting.

STATE OF IDAHO  
IDAHO PUBLIC TELEVISION  
STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED JUNE 30, 2006

	Program Revenues				Primary Governmental Activities	Net (Expenses) Revenue and Changes in Net Assets					Total
	Charges for Services		Operating Grants and Contributions	Capital Grants and Contributions		Friends of KAID	Friends of KISU	Friends of KUID	IdahoPTV Foundation		
	Expenses										
Primary Government:											
Governmental Activities											
Programming/Production	\$2,366,105	\$14,500	\$34,925	\$0	(\$2,316,680)						(\$2,316,680)
Broadcasting	2,430,841	35,245	2,401	694,736	(1,698,459)						(1,698,459)
Program Information	425,300	0	0	0	(425,300)						(425,300)
Fund Raising/Development	955,215	120,999	500	0	(833,716)						(833,716)
Management/General	1,241,666	2,327	1,801	0	(1,237,538)						(1,237,538)
Total Primary Government	\$7,419,127	\$173,071	\$39,627	\$694,736	(\$6,511,693)						(\$6,511,693)
Component Units:											
Programming/Production	10,963	0	0	0		0	0	0	(10,963)		(10,963)
Broadcasting	794	0	0	0		0	0	0	(794)		(794)
Program Information	346	0	0	0		0	0	0	(346)		(346)
Fund Raising/Development	45,398	0	0	0		(18,137)	(2,618)	(1,481)	(23,162)		(45,398)
Management/General	35,301	0	0	0		(217)	(131)	(182)	(34,771)		(35,301)
Total Component Units	\$92,802	\$0	\$0	\$0		(\$18,354)	(\$2,749)	(\$1,663)	(\$70,036)		(\$92,802)
General Revenues:											
State Appropriation					2,352,622	0	0	0	0		2,352,622
Contributions					0	1,496,698	325,730	196,997	102,264		2,121,689
Corporate Match					0	9,819	2,525	50	47,496		59,890
Underwriting					0	89,530	27,850	20,158	658,863		796,401
CSG Grant					0	0	0	0	947,600		947,600
Grants/Contributions Not Restricted to Specific Programs					0	44	0	0	277,879		277,923
Unrestricted Investment Earnings					0	19,560	6,490	20	151,860		177,930
Restricted Foundation Endowment					0	0	0	0	22,329		22,329
Net Increase/(Decrease) in Fair Value of Investments					0	(10,906)	(4,570)	0	33,422		17,946
Gain on Sale of Equipment					4,120	0	0	0	0		4,120
Payments to/(from) Affiliates					4,167,415	(1,766,622)	(398,914)	(225,438)	(1,776,441)		0
Total Revenues					\$6,524,157	(\$161,877)	(\$40,889)	(\$8,213)	\$465,272		\$6,778,450
Change in Net Assets					\$12,464	(\$180,231)	(\$43,638)	(\$9,876)	\$395,236		\$173,955
Net Assets - Beginning (as Restated)					7,685,376	779,315	202,033	54,039	4,717,785		13,438,548
Total Net Assets - Ending					\$7,697,840	\$599,084	\$158,395	\$44,163	\$5,113,021		\$13,612,503

Fiscal year 2006 statements are included for comparative purposes, as required by the Corporation for Public Broadcasting.

STATE OF IDAHO  
IDAHO PUBLIC TELEVISION  
BALANCE SHEET  
GOVERNMENTAL FUNDS  
AS OF JUNE 30, 2006

	General Fund	Miscellaneous Fund	Federal Fund	Total
<b>Assets</b>				
Cash and Cash Equivalents	\$0	\$26,125	\$6,661	\$32,786
Accounts and Interest Receivable	0	13,087	341,089	354,176
Due from State	253,558	0	0	253,558
Due from Other Funds	0	335,446	0	335,446
Inventories and Prepaid Expense	0	31,076	0	31,076
<b>Total Assets</b>	<b>\$253,558</b>	<b>\$405,734</b>	<b>\$347,750</b>	<b>\$1,007,042</b>
<b>Liabilities and Fund Balances</b>				
<b>Liabilities</b>				
Payroll and Benefits Payable	\$30,974	\$74,353	\$0	\$105,327
Due to Other Funds	0	0	335,446	335,446
Accounts Payable	222,584	40,209	207,559	470,352
<b>Total Liabilities</b>	<b>\$253,558</b>	<b>\$114,562</b>	<b>\$543,005</b>	<b>\$911,125</b>
<b>Fund Balances</b>				
Reserve for:				
Inventories and Prepaid Expenses	\$0	\$31,076	\$0	\$31,076
Unreserved:				
Fund Balance	0	260,096	(195,255)	64,841
<b>Total Fund Balances</b>	<b>\$0</b>	<b>\$291,172</b>	<b>(\$195,255)</b>	<b>\$95,917</b>
<b>Total Liabilities and Fund Balances</b>	<b>\$253,558</b>	<b>\$405,734</b>	<b>\$347,750</b>	<b>\$1,007,042</b>

RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET  
TO THE STATEMENT OF NET ASSETS

Total Fund Balances - Governmental Funds	\$95,917
Amounts reported for governmental activities in the statement of net assets are different because:	
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.	7,618,738
Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds.	(224,374)
Federal Grants Receivable	207,559
Net Assets of Governmental Activities	<u>\$7,697,840</u>

Fiscal year 2006 statements are included for comparative purposes, as required by the Corporation for Public Broadcasting.

STATE OF IDAHO  
IDAHO PUBLIC TELEVISION  
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES  
GOVERNMENTAL FUNDS  
FOR THE YEAR ENDED JUNE 30, 2006

	General Fund	Miscellaneous Fund	Federal Fund	Total
Revenues				
Federal Grants	\$0	\$0	\$515,238	\$515,238
Book and Video Sales	0	120,929	0	120,929
Other Miscellaneous Revenue	0	67,827	0	67,827
Total Revenues	\$0	\$188,756	\$515,238	\$703,994
Expenditures				
Current:				
Programming/Production	\$201,023	\$1,985,618	\$27,996	\$2,214,637
Broadcasting	858,767	476,397	216,003	1,551,167
Program Information	9,017	417,123	0	426,140
Fund Raising/Development	276	952,564	0	952,840
Management/General	783,869	425,470	0	1,209,339
Capital Outlay	499,669	55,333	360,038	915,040
Total Expenditures	\$2,352,621	\$4,312,505	\$604,037	\$7,269,163
Revenues Over (Under) Expenditures:	(2,352,621)	(4,123,749)	(88,799)	(6,565,169)
Other Financing Sources (Uses)				
Appropriation Funding from State				
General Fund	1,679,224	0	0	1,679,224
Dedicated Fund	673,397	0	0	673,397
Payments from Affiliates	0	4,167,415	0	4,167,415
Total Other Financing Sources	\$2,352,621	\$4,167,415	\$0	\$6,520,036
Net Change in Fund Balances	\$0	\$43,666	(\$88,799)	(\$45,133)
Fund Balances - Beginning (as Restated)	0	247,506	(\$106,456)	\$141,050
Fund Balances Ending	\$0	\$291,172	(\$195,255)	\$95,917

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCES OF THE GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES

Net Change in Fund Balances - Total Governmental Funds (45,133)

Amounts reported for governmental activities in the statement of activities are different because:

Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. In FY 06, this is the amount by which depreciation (\$1,046,432) exceeded capital outlays (\$915,041) in the current period. The capital outlay amount of \$558,064 includes \$93,980 of capital equipment purchased by component units and transferred to the state. (131,391)

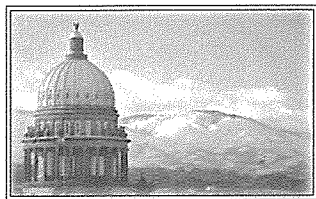
Federal Grants Receivable Not Collected Within 60 Days of Fiscal Year End 207,559

Under the modified accrual basis of accounting used in the governmental funds, expenditures are not recognized for transactions that are not normally paid with expendable available financial resources. In the Statement of Activities, however, which is presented on the accrual basis, expenses and liabilities are reported regardless of when financial resources are available. This requires an adjustment for compensated absences. (18,571)

Change in Net Assets of Governmental Activities 12,464

Fiscal year 2006 statements are included for comparative purposes, as required by the Corporation for Public Broadcasting.





# Legislative Services Office Idaho State Legislature

*Serving Idaho's Citizen Legislature*

**Jeff Youtz**  
Director

November 30, 2007

Independent Auditor's Report on Internal Control  
Over Financial Reporting and on Compliance and  
Other Matters Based on an Audit of Financial  
Statements Performed in Accordance  
With Government Auditing Standards

Peter Morrill, General Manager  
Idaho Public Television  
1455 North Orchard Street  
Boise, ID 83706

Idaho State Board of Education  
650 West State Street, Room 307  
Boise, ID 83720-0037

Dear Mr. Morrill and Board Members:

We have audited the financial statements of Idaho Public Television as of and for the year ended June 30, 2007, and have issued our report thereon dated November 30, 2007. We conducted our audit in accordance with auditing standards generally accepted in the United States of America, and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

## Internal Control Over Financial Reporting

In planning and performing our audit, we considered IdahoPTV's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide an opinion on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control that might be material weaknesses. A material weakness is a reportable condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements caused by error or fraud in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses.

## Compliance and Other Matters

As part of obtaining reasonable assurance about whether IdahoPTV's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests

**Mike Nugent, Manager**  
Research & Legislation

**Cathy Holland-Smith, Manager**  
Budget & Policy Analysis

**Don H. Berg, Manager**  
Legislative Audits

**Glenn Harris, Manager**  
Information Technology

Statehouse, P.O. Box 83720  
Boise, Idaho 83720-0054

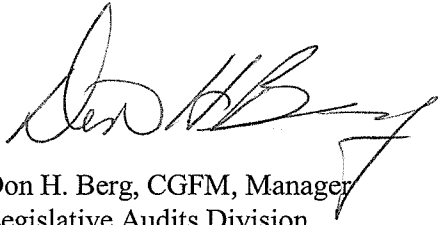
Tel: 208-334-2475  
[www.legislature.idaho.gov](http://www.legislature.idaho.gov)

disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

We noted certain matters that we have reported to the management of IdahoPTV in a separate letter.

This report is intended solely for the information and use of IdahoPTV and the Idaho Legislature and is not intended to be used by anyone other than these specified parties.

Sincerely,

A handwritten signature in black ink, appearing to read "Don H. Berg", with a stylized flourish at the end.

Don H. Berg, CGFM, Manager  
Legislative Audits Division

# APPENDIX

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## HISTORY

Idaho Public Television (IdahoPTV) was established in Senate Bill 1476, by the State Board of Education to provide administrative, operational, and programming expertise to the management and staff of Idaho's public television stations. The stations, located in Boise (KAID and KAID-DT, direct television), Pocatello (KISU and KISU-DT), Moscow (KUID and KUID-DT), Twin Falls (KIPT and KIPT-DT), and Coeur d'Alene (KCDT and KCDT-DT) are dedicated to:

- Providing quality educational and cultural television programs from national sources to the Idaho population at large;
- Providing instructional television services to Idaho public schools;
- Providing ancillary telecommunication services to other State institutions and agencies;
- Providing television programs designed to meet specific needs of Idahoans when these programs are unavailable elsewhere; and
- Serving as training centers for college-level students entering the communications field.

## STATUTORY AUTHORITY

IdahoPTV derives its authority from the Idaho State Board of Education, which has delegated responsibility to the general manager to administer, coordinate and supervise Idaho's public television stations. No statutory authority exists for IdahoPTV since it is a State Board of Education established entity.

## FUNDING

In fiscal year 2007, IdahoPTV received about 59% of its funding from the Friends and Foundation organizations, about 21% from the State's General Fund, about 12% from the Corporation for Public Broadcasting, and about 8% through federal funding and miscellaneous funding.

## ORGANIZATION

IdahoPTV is governed by the State Board of Education, which appoints the general manager to manage day-to-day operations of the system. The general manager is responsible for ensuring adherence to local, State and federal regulations by all public broadcasting operations in the State of Idaho, for which the Board is the designated licensee by the Federal Communications Commission. The general manager may establish policies and procedures for internal management of IdahoPTV. Such policies and procedures are subject to the Board's review and action.

At June 30, 2007, IdahoPTV had 57 full-time employees. (See the organizational chart on the following page.)



IDAHO PUBLIC TELEVISION  
idahoptv.org

July 1, 2007  
57 Full-Time  
Employees

## STATE BOARD OF EDUCATION

**Idaho Public Television  
General Manager**

Peter W. Morrill

**Administrative Asst 2**  
Kelly Roberts

**Human Resource Specialist**  
Sandy Crane  
**Office Specialist 2**  
Tony Howard

Friends of IPTV,  
KAID/KIPT, Inc.

Friends of IPTV,  
KISU, Inc.

Friends of IPTV,  
KUID/KCDT, Inc.

**Director of  
Technology**

Rich Van Genderen

**Director of  
Financial Affairs**

Phillip Kottraba

**Director of  
Programming**

Ron Pisaneschi

**Director of  
Marketing/Develop**

Kim Philipps

**Director of  
Communications**

Sandy Streiff

### ENGINEERING & NEW TECHNOLOGIES

#### FIELD SERVICES

**Broadcast Fld Engr Supv**

Larry Smith

**Broadcast Fld Engr**

Michael Cramblit (Moscow)

JD Davis (Pocatello)

**ON-AIR SERVICES**

**DTV Chief Eng, State**

Craig Koster

**Chief Engineer, Regional**

Ken Segota (Moscow)

Dave Tumire (Pocatello)

**Broadcast/Mnt Ops Engr**

Vacant

Mike Studor

**IT SERVICES**

**IT Sys Integr Analyst, Sr.**

Mary McMahon

**IT Sys Integr Anal, Assoc**

Kevin Rank

**IT Sys Ops Supervisor**

Kevin Evans

**Dig Brdcast Sys Operator**

Janette Crancer

Dave Thomason

Dan Ward

**Kenneth Constant**

### FINANCIAL AFFAIRS

**Financial  
Specialist**

Karen McConnell

Toni Ward

**Buyer**

Michelle Koehler

**Office Specialist  
II**

Carrie Newell

**Financial Support  
Specialist**

Dawn Rose

### PROGRAMMING

**Management Asst.**

(Moscow)

Kris Freeland

**TRAFFIC**

**Programming Supvr**

Sherri Walton

**Program Support Clerk**

Gerry Fields

Jan Lizaso

**PRODUCTION**

**Executive Producer**

Bruce Reichert

**Writer/Reporter/Producer**

Marcia Franklin

Joan Cartan-Hansen

Jim Peck

**Producer/Director**

John Crancer

Al Hagenlock

**Production Manager**

Jeff Tucker

**Director/Videographer**

Alan Austin

Jay Krajic

Pat Metzler

Ricardo Ochoa

### MARKETING AND DEVELOPMENT

**Director of Corporate  
Sponsorship**

Kelly Ryan

**Development Director**

Kim Neilsen (Pocatello)

**Director of Major Gifts**

Kelly Hagans

**Development Director**

Ramona Dopps (Boise)

**Customer Svc Rep 2**

Shane Chariton

**Technical Records Spec 1**

Tabitha Smith

**Customer Svc Rep 1**

Vicki Peterson

**PTV Develop Assoc**

Chris Clawson

**Customer Svc Rep 1**

Monica Degard

### COMMUNICATIONS

#### ON-LINE SERVICES

**Web Developer**

Rick Penticoff

#### DESIGN SERVICES

**Graphic Designer**

Stephanie Dickey

**Desktop Publishing  
Specialist**

Lisa Sommer

#### INFORMATION SERVICES

**Public Information  
Specialist**

Anne Peterson